

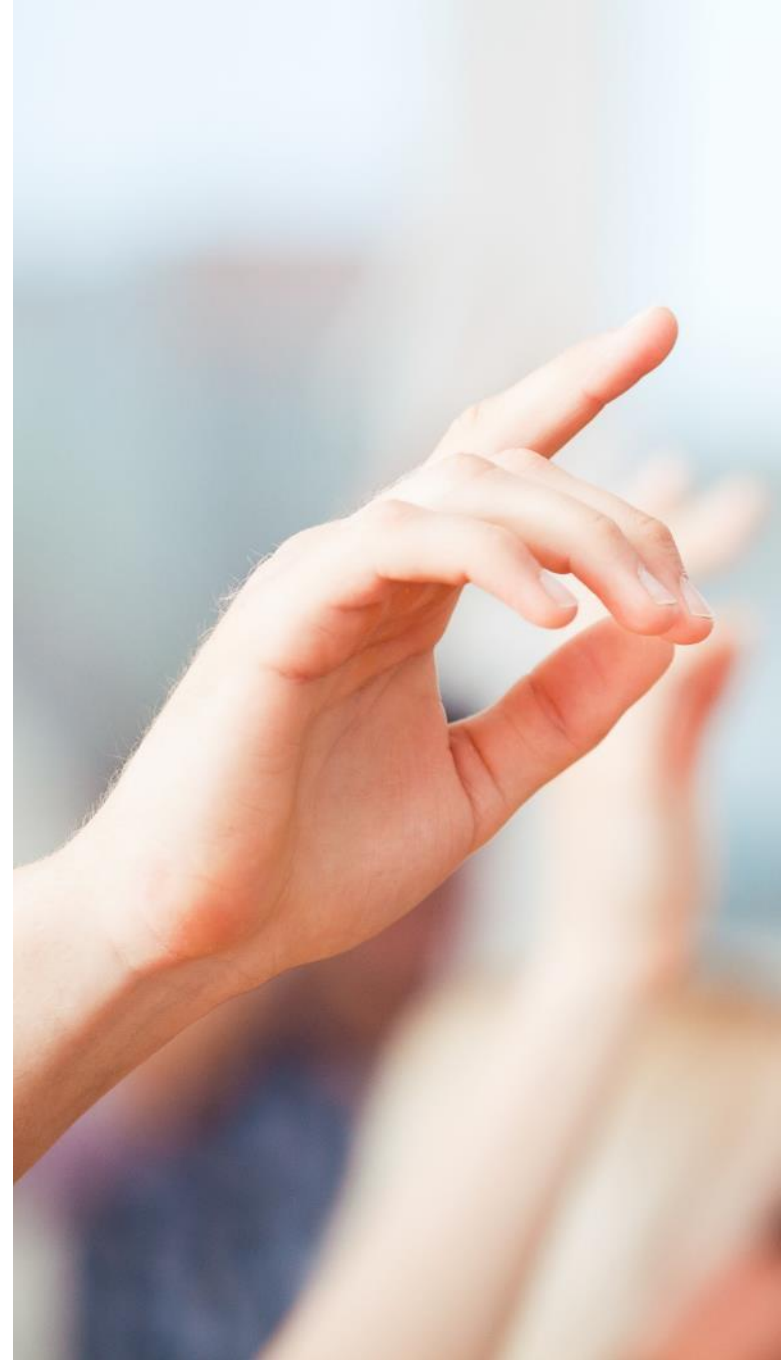
Massachusetts Rehabilitation Commission— Vocational Rehabilitation Independent Living Services

Chapter 257 Rate Development
Provider Session

March 17, 2016

Agenda

- **Introductions**
- **Chapter 257 Overview**
- **Provider Discussion**
 - **Rate Ideas & Considerations**
 - **Outcomes**
- **Next Steps**



Chapter 257 Overview

Chapter 257 of the Acts of 2008 Overview

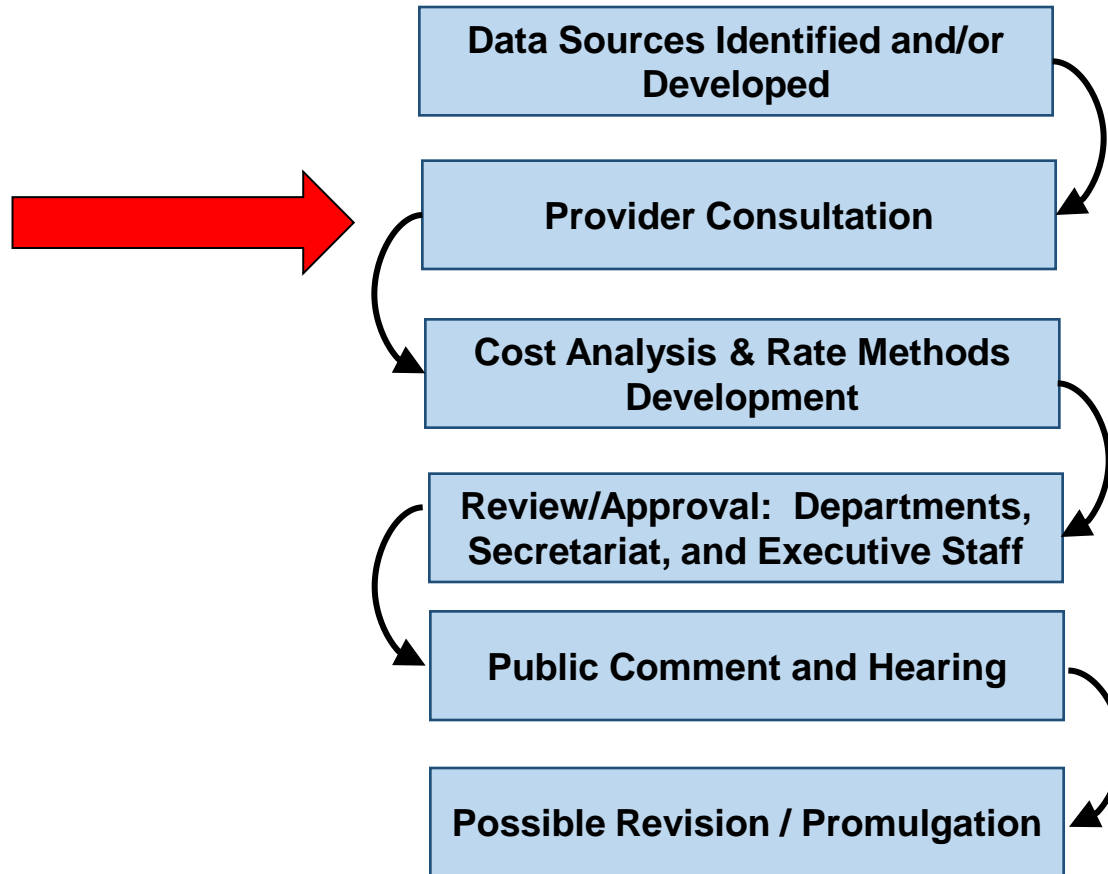
- Regulates pricing for the Purchase of Service (POS) system.
- Places authority for determination of POS reimbursement rates with the Executive Office of Health and Human Services under MGL 118E.
- PCG provides consulting and staffing support for the development of Chapter 257 pricing.

Chapter 257 of the Acts of 2008 Requirements

- Reasonable costs incurred by efficiently and economically operated providers
- Reasonable costs to providers of any existing or new governmental mandate
- Changes in costs associated with the delivery of services (e.g. inflation)
- Substantial geographical differences in the costs of service delivery

Chapter 257 Overview

Pricing Analysis, Rate Development, Approval, and Hearing Process



Rate Ideas

The following are examples of provider rate structures under consideration:

- **Hourly Rate** – Determine the cost of providing a unit of service. Providers are reimbursed for each hour of service performed.
- **Case/Enrollee** – Calculate the average cost of providing IL services for a typical consumer. Providers are reimbursed upon case closure.

Considerations

Hourly Rate

Case/Enrollee Rate

- What are the pros and cons for each of these rate considerations?
- How would each of these limit your ability to serve clients?
- How would each challenge current service delivery?
- How could each facilitate efficient delivery of services?

Cost Considerations

What are the primary cost drivers to service delivery that should be considered during rate development?

- Travel (Client & Staff)
- Occupancy
- Staff Training
- Others?

Outcomes

- How do you define performance outcomes?
- How do you track and measure performance outcomes?
- How should MRC define outcomes for this service?
- How do you ensure the services you are providing meet the needs of your clients?

Next Steps

- Discuss provider feedback internally (EHS, PCG & MRC)
- Propose rates via a draft regulation (EHS)
- Public hearing (an additional opportunity to receive feedback on rates from the public) (EHS, PCG, MRC & Providers)
- Review testimony, revise rates as needed, and finalize rates (EHS, PCG & MRC)

The meeting presentation will be posted on Chapter 257 website:
www.mass.gov/eohhs/provider/contracting/chap257/meetings-and-events

Comments and questions regarding Chapter 257 process can be sent to: EOHHSprovidersurvey@pcgus.com